



LEROY D. BACA, SHERIFF

**County of Los Angeles**  
**Sheriff's Department Headquarters**  
**4700 Ramona Boulevard**  
**Monterey Park, California 91754-2169**



September 12, 2002

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 7 TO AGREEMENT NO. 68095  
TO EXTEND THE PARKING CITATION PROCESSING SERVICES  
AGREEMENT  
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE ☒ APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chairman of the Board to sign the attached Amendment No. 7 which will revive and extend County Agreement Number 68095 from February 2, 2002 ( the "Expired Agreement") through the effective date of Board approval of the companion proposed Agreement with ACS State and Local Solutions (ACS) for parking citation processing services to the Los Angeles County Sheriff's Department in the unincorporated areas of Los Angeles County (the "New Agreement").

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action is to revive and extend the Expired Agreement with ACS to cover the approximately seven (7) month time period during which ACS has continued providing services to the Sheriff's Department.

*A Tradition of Service*

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Citation processing services were required during this period of time because the Department is required by law to process parking citations within twenty-one (21) days of issuance or ten (10) days of mailing of a delinquent notice. Failure to do so could have resulted in loss of revenue to the Department.

#### **Implementation of Strategic Planning Goals**

The proposed recommendation supports the County's Strategic Plan for Service Excellence and Fiscal Responsibility. Under this Agreement, the Contractor, who specializes in collection services, coordinates the entire parking citation collection process, including sending required notices, tracking citations, maintaining records, and collecting and depositing parking citation fees and penalties. The Contractor also has the capability of offering alternative methods of payment. These services make the process more convenient and accessible for the public.

This Agreement has been added to the Sheriff's Business Automation Plan and included in the Sheriff's Fiscal Year 2001-2002 and 2002-2003 Budgets. The use of a software application to maintain the County's data and a Web browser for the public to pay the incurred fines has changed the nature of the contract into an information technology contract.

#### **FISCAL IMPACT/FINANCING**

The County will not incur any Net County Cost for the time period prescribed by the extension of this Agreement. The fees paid to the Contractor for services will be offset by the revenue generated from the parking citation fines and penalties that the Contractor will process, collect and deposit to the County.

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### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This Agreement provides parking citation processing services for the Sheriff's Department. ACS is responsible for processing citations, maintaining citation records, sending notices, interfacing with the Department of Motor Vehicles to obtain vehicle ownership data, and collecting and depositing citation fees and penalties with the County.

On July 17, 2001, your Board approved Amendment Number Six (6) to the Agreement which authorized an extension for a period of six (6) months effective July 31, 2001, to January 31, 2002, and also authorized the Sheriff to extend the Agreement on a month-to-month basis for an additional six (6) months through July 31, 2002.

However, through mistake and/or inadvertence, the Department failed to exercise its extension option prior to the Expired Agreement expiration date. Because the Expired Agreement does not authorize the Department to revive the Expired Agreement, the Department seeks Board approval.

Concurrent with this action, the Department is requesting Board approval of a new Agreement with ACS to provide parking citation processing services.

Amendment No. 7 has been reviewed by the Chief Information Office and approved as to form by the Office of the County Counsel.

### **IMPACT ON CURRENT SERVICES**

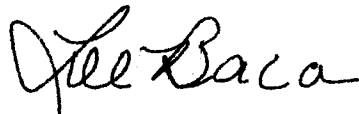
Approval of this Amendment No. 7 will ensure uninterrupted parking citation processing services to the Department.

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**CONCLUSION**

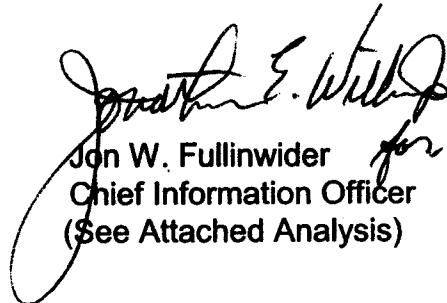
Upon approval by your Board, please return an adopted copy of this action and the original executed amendment to the Sheriff's Department, Contracting Unit, for further processing.

Respectfully submitted,



LEROY D. BACA  
SHERIFF

Reviewed by:



Jon W. Fullinwider  
Chief Information Officer  
(See Attached Analysis)

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LDB:PKT:MMcD:JC:IC  
(Administrative Services Division - Contracts Administration Unit)

**Attachment**

cc: Justice Deputies  
Executive Officer, Board of Supervisors  
Lloyd W. Pellman, County Counsel  
J. Tyler McCauley, Auditor-Controller  
Rochelle Goff, Departmental Analyst, Chief Administrative Office  
Kenneth G. Johnson, Jr., Captain - COPS Bureau  
Paul K. Tanaka, Acting Chief, Administrative Services Division  
Michael R. McDermott, Captain, Financial Programs Bureau  
Sharon Bilbrey, Manager, Parking Enforcement Detail  
Glenn Dragovich, Assistant Director, Financial Programs Bureau  
Patricia Hawkins, Director, Fiscal Administration  
Joe Cruz, Manager, Contracts Administration Unit  
Irma Cobos, Contracts Administration Unit  
Chrono File  
(Parking Citation Processing Services Agreement)

# CIO ANALYSIS

## ACS STATE AND LOCAL SOLUTIONS, INC. (ACS)

### AMENDMENT NO. 7 TO AGREEMENT 68095

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION  
☐ DISAPPROVE

Contract Type:  
☐ New Contract ☒ Contract Amendment ☐ Contract Extension  
☐ Sole Source Contract

Contract Amendment: Contract extension would expire upon approval of a new Agreement for processing of parking citations

Contract Components:  
☐ Software ☐ Hardware ☐ Telecommunications  
☒ Professional Services

Project Executive Sponsor: Chief Paul K. Tanaka, Los Angeles Sheriff's Department

#### Budget Information :

YTD Contract Expenditures	The proposed Agreement is a revenue contract and varies from year to year. The revenue averaged \$6 million per year recently. Expenditures are calculated using a flat rate per citation and have averaged \$400,000 per year in recently.
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#### Project Background:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project legislatively mandated? In 1994, the California Legislature mandated the transfer of collection of parking citations from the Courts to a processing agency within the County. For Los Angeles County, the processing agent is the Los Angeles Sheriff's Department.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?

#### Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan? Yes, the project supports County Strategic Plan Goal 1: Service Excellence and Goal 4: Fiscal Responsibility.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department's Business Automation Plan (BAP)? Yes, the project has been identified in the Department's FY 2002-2003 BAP.

**Strategic Alignment, continued:**

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document? Yes, The contract requires that ACS implement a Web site for the payment of parking citations. County IT Directions Goal 1: <u>Conducting government electronically</u>
<input type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards? Not Applicable.

**Contract Description:**

The Sheriff's Department is requesting your Board's approval of Amendment No. 7 to the expired Parking Citation Processing Services Agreement 68095 with ACS State and Local Solutions (ACS). The parking citation fine and penalty revenue that the ACS collects and transfers to the County is approximately \$6 million per year. This revenue offsets the fee paid to ACS for its services as the contracted collection and processing entity for Los Angeles County. The fee paid to ACS is approximately \$400,000 per year, depending on the yearly parking citation volume. The County will not incur any Net County Costs during the time period of this Amendment.

Amendment No. 7 revives and extends the expired revenue Agreement 68095 until your Board approves a new proposed Agreement with ACS. The new proposed Agreement has been submitted concurrently with this Amendment No. 7.

**Contract Background:**

In 1994, the California Legislature approved Assembly Bill 1228, which transferred the responsibility for the collection of parking citations from the Courts to a processing agency within the County. For the County of Los Angeles, this processing agency is the Los Angeles Sheriff's Department. The Los Angeles Sheriff's Department, recognizing that an outside agency could more quickly provide the manpower and services needed for this mandate, proposed contracting with Lockheed IMS for these services. Your Board approved Agreement 68095 on May 1, 1995 with Lockheed IMS.

In August 2001, Affiliated Computer Services, Inc. purchased Lockheed IMS, renaming the entity: ACS State and Local Solutions (ACS). ACS has been the incumbent vendor for Agreement 68095 since the acquisition. Agreement 68095 with ACS provides parking citation collection and processing services for the Sheriff's Department. ACS is responsible for processing citations, maintaining citation records, sending notices, interfacing with the Department of Motor Vehicles to obtain vehicle ownership data, and collecting and depositing citation fees and penalties with the County.

The original Agreement specified a three-year time period with two (2) one-year extensions. The two contract extensions placed the expiration date at April 30, 2000. Amendment No. 4 was a six-month extension revising the expiration date to October 30, 2000.

Amendment No. 5 was a Board approved nine-month extension moving the expiration date of this Agreement to July 31, 2001. Amendment No. 6 was also a Board approved nine-month extension re-establishing the expiration date of this Agreement to January 31, 2002. This Amendment No. 7 would revive and extend Agreement 68095 until your Board approves a new proposed Agreement with ACS. The new proposed Agreement has been submitted concurrently with this Amendment No. 7.

Prior to the existing Agreement's expiration, the Sheriff's Department engaged in a competitively bid process to replace existing Agreement 68095, thereby providing continuous parking citation processing services. The Department received one response to their first Request For Proposal (RFP). The response did not meet the minimum requirements of the RFP. The Sheriff's Department surveyed all qualified vendors, modified the RFP requirements and conducted a second competitive bid. This second competitive bid process produced four acceptable responses by the September 27, 2001 deadline. An Evaluation Committee composed of representatives from the Sheriff's Department, Chief Administrative Office, Internal Services Department and City of Los Angeles City scored the four proposals. The proposal submitted by ACS ranked highest in evaluation points and lowest in cost. No appeals were received.

#### **Contract Justification/Benefits:**

Agreement 68095 has been added to the Sheriff's Fiscal Year 2001-2002 and 2002-2003 Business Automation Plan. The original Agreement 68095 was a revenue services contract and, as such, was not included in the Department's Business Automation Plan. The original Agreement and this Amendment were included in the Sheriff's Fiscal Year 2001-2002 and 2002-2003 budget.

The benefits of the proposed Amendment No. 7 include the continued, timely processing and collection of all notices of parking violations issued throughout the County of Los Angeles.

#### **Contract Metrics**

The original Statement of Work (SOW) detailed citation processing, data input, basis for collection fee, output reports and on-line inquiry procedures in the software application that ACS utilizes to track and maintain parking citation information. The original SOW contained service level specifications for error corrections, timely delivery of notices of delinquent parking, timely input of citation data, and timely delivery of reports.

#### **Impact If Proposal Is Not Approved**

The primary impact to the Sheriff's Department would be the loss of revenue that offsets the Sheriff's expenses incurred in issuing parking citations. In 1992, California State legislature, with Assembly Bill 408, removed parking enforcement from criminal code, recasting it as a civil procedure. There exists a time limit for commencement of a civil action, which now includes parking citations.

**Alternatives Considered:**

The Sheriff has deemed that the County is better served by an outside agency performing the parking citation collection and processing services. ACS specializes in business process and technology outsourcing to commercial and government agencies. ACS' stability is reflected by their revenues of approximately \$3.8 billion with a pretax operating and pretax margins of 13.6% and 13.0%, respectively. ACS' most recent United States Securities And Exchange Commission Form 10K report documented their current activities and did not identify any concerns.

**Contract Risks:**

The risks associated with the proposed Amendment are minimal. The proposed Amendment is an extension of services currently being performed by ACS.

**Risk Mitigation Measures:**

The original Agreement 68095 has "Recovery From Catastrophic Failure" requirements. ACS is required to resume operations within three days after a natural disaster, flood or fire and within 24 hours after a loss of services or data.

**Financial Analysis:**

The proposed Amendment provides for the prompt processing of the parking program for the unincorporated areas of Los Angeles County. The proposed Agreement collects approximately \$6 million in yearly revenue with yearly contract expenditures of \$400,000.

**CIO Concerns:**

None.

**CIO Recommendations:**

My office supports this action and recommends approval by the Board.

**CIO APPROVAL**

Date Received: 9-18-2002  
Prepared by: James B. Hall  
Date: 9/26/2002  
Approved: [Signature]  
Date: 9/26/2002

**COUNTY OF LOS ANGELES SHERIFF'S DEPARTMENT**

**AMENDMENT NO. 7 TO AGREEMENT NO. 68095  
FOR PARKING CITATION PROCESSING SERVICES**

**REVIVE AND EXTEND AGREEMENT TERM**

This Amendment No. 7 ("Amendment") is entered into by and between the County of Los Angeles (hereinafter "COUNTY") and ACS State and Local Solutions, a New York corporation, (hereinafter "CONTRACTOR"), to be revived and amended effective as of February 2, 2002, based on the following recitals:

- A. WHEREAS, on May 1, 1995, the COUNTY and Lockheed Martin IMS Corporation (hereinafter "IMS") entered into COUNTY Agreement No. 68095 (hereinafter "AGREEMENT") to provide parking citation processing services;
- B. WHEREAS, effective August 24, 2001, IMS was acquired by CONTRACTOR and is now a wholly owned subsidiary of CONTRACTOR;
- C. WHEREAS, as a result of CONTRACTOR's corporate acquisition of IMS, IMS has changed its name to ACS State & Local Solutions, Inc., a New York Corporation;
- D. WHEREAS, this AGREEMENT expired on January 31, 2002; and
- E. WHEREAS, pursuant to Amendment No. 6, Section 2, of the AGREEMENT, the COUNTY, by and through its Sheriff ("SHERIFF"), at his sole discretion, shall have the authority to extend the AGREEMENT on a month-to-month basis beyond the extension period specified in Amendment Number 6, Section 1, for six (6) additional months for further studies.

NOW THEREFORE, in consideration of the foregoing recitals, all of which are incorporated as part of this AGREEMENT, COUNTY and CONTRACTOR hereby further agree as follows:

- 1. The AGREEMENT shall be revived and extended from February 2, 2002 through the effective date of Board approval of the proposed new agreement.
- 2. Name and interpretation of CONTRACTOR throughout the AGREEMENT and this Amendment shall refer to ACS State and Local Solutions, effective August 24, 2001.

**LOS ANGELES COUNTY SHERIFF'S DEPARTMENT**

**AMENDMENT NO. 7 TO AGREEMENT NO. 68095**

Except as expressly provided in this Amendment No. 7, all other provisions, and conditions of the AGREEMENT shall remain the same and in full force and effect.

**IN WITNESS WHEREOF**, the Board of Supervisors of the County of Los Angeles has caused this Amendment No.7 to be subscribed by its Chairman and the seal of such Board to be hereto affixed and attested by the Executive Officer, and **CONTRACTOR** has caused this Amendment No. 7 to be subscribed on its behalf by its duly authorized officer, this \_\_\_\_ day of \_\_\_\_\_, 2002.

**THE COUNTY OF LOS ANGELES**

By: \_\_\_\_\_  
Chairman, Board of Supervisors

**ATTEST:**

**VIOLET VARONA-LUKENS**  
Executive Officer -Clerk  
Board of Supervisors

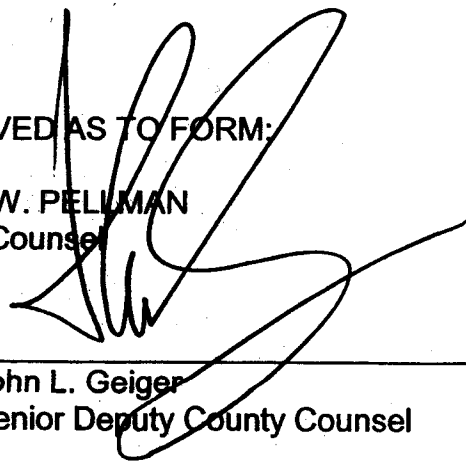
By \_\_\_\_\_  
Deputy

**ACS State and Local Solutions, Inc.**

By  \_\_\_\_\_  
**Joseph Martz**  
Senior Vice President &  
Managing Director,  
Municipal Services

**APPROVED AS TO FORM:**

**LLOYD W. PELLUMAN**  
County Counsel

By  \_\_\_\_\_  
**John L. Geiger**  
Senior Deputy County Counsel